

City of Troy:

With a population of nearly 85,000 citizens and over 5,600 businesses, the City of Troy's 34.3 square miles represents one of the most desirable locations to live, work, raise a family and run a business. The workday population stands at about 125,000. The expanding residential and business sectors have built the City's taxable value (TV) to an impressive \$4.9 billion.

City Government

The City of Troy has a Council-Manager form of government. The Mayor and six members of the City Council are elected to staggered, three-year terms. The Council appoints a City Manager to oversee daily operations and administrative functions.

The administration philosophy focuses on furnishing high levels of service for the best value. Services include police and fire protection, refuse collection, water and wastewater collection, street maintenance, public improvements, planning, zoning, and general administrative services. Troy maintains recreation and leisure facilities including the Troy Public Library, Troy Museum & Historic Village, Family Aquatic Center, Nature Center, Sylvan Glen Golf Course, 735 acres of parkland and the Community Center.

Education

Top-rated school systems reinforce Troy's community strength and property values. Troy School District (TSD) serves the majority of households with an enrollment of 12,092. Six other school districts also serve Troy citizens: Avondale, Birmingham, Bloomfield Hills, Lamphere, Royal Oak and Warren Consolidated.

Higher education is available through local institutions like Cornerstone College, the Michigan State Management Education Center, University of Phoenix, Walsh College and nearby Oakland Community College and Oakland University. Central Michigan University, Northwood Institute, Spring Arbor College and University of Michigan-Flint offer satellite courses in Troy.

Businesses

The Troy business community is truly diverse. Corporate citizens span a full range of financial, retail, automotive, technology, hospitality, service and manufacturing industries. The Troy Chamber of Commerce offers valuable networking and professional development activities. Businesses interested in relocating in Troy are invited to contact the City's Real Estate & Development Department at 248.524.3498.

Troy - a place to call home

Troy's location, educational institutions, employment and business opportunities and excellent municipal services make it a great place to call home. For a community residential information packet, contact Community Affairs at 248.524.1147.



Troy City Council

Back Row (Left to Right): Mayor Pro Tem Dave Lambert, Councilman David Eisenbacher, Mayor Matt Pryor and Councilman Martin F. Howrylak.

Front Row (Left to Right): Councilwoman Cristina Broomfield, Councilwoman Robin Beltramini, and Councilwoman Jeanne Stine.



From business sites to neighborhoods, Troy's beauty is a point of pride for both its corporate and residential community.



City Manager
John Szerlag

**Assistant City Manager/
Finance & Administration**
John M. Lamerato

Assistant City Manager/Services
Gary Shripka

*Prepared by the
Financial Services Division*

For more information:
Community Affairs Department
500 West Big Beaver
Troy MI 48084
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website www.ci.troy.mi.us

Greetings

On behalf of the city administration and the Troy City Council, I am pleased to present the 2003 Financial Summary. This report outlines the City's fiscal activities and economic environment. It provides an overview of the City's financial management. This past year has marked many positive changes and developments.



Capital improvements have been a major area of activity. The final phase of Community Center construction was completed in March. It now offers expanded community meeting space and a full-service banquet facility. Many families and youth celebrated the dedication of our new Skate Park at the Community Center. The Sanctuary Lake Golf Course is shaping up. Play on the 18 hole course will open late summer 2004. Relocation of the century-old Methodist Church and Parsonage to the Troy Museum & Historic Village site was a major undertaking. Refurbishment and restoration will bring it back to its old glory and allow residents to visit another piece of Troy's history for many years to come. And finally, construction of the new Public Safety expansion in the Civic Center will greatly improve Fire and Police operations.

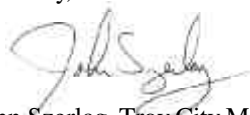
Financial Management: Troy stands proud with AAA bond ratings from Standard & Poor's, Fitch IBCA and Moody's Investors Service. These excellent bond ratings translate to savings for the City and its taxpayers. Troy has earned all three of the Government Finance Officers Association Awards for financial reporting for the City's Budget document, Comprehensive Annual Financial Report and the 2002 Financial Summary.

Public Safety: Troy Police and Fire Departments excel in preserving the safety and welfare of our community. Crime and fire prevention programs, training, and dedicated field work ensure we enjoy a safe and secure environment. The Morgan Quitno Press' analysis of Federal Bureau of Investigations crime statistics ranks Troy 12th safest of 350 cities nationwide (populations over 75,000).

Communication: Providing public access to information about city services is essential government responsibility. Our offices and staff are available to answer questions. Do not hesitate to contact my office at 248.524.3330, any of the staff members listed on page 12 or visit our website at www.ci.troy.mi.us.

Thank you for your time and interest.

Sincerely,



John Szerlag, Troy City Manager

**Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting**

PRESENTED TO

**CITY OF TROY,
MICHIGAN**

For the fiscal year ending
June 30, 2002



Edward Kozlowski
President



Jeffrey L. Eade
Executive Director

GFOA Award for Outstanding Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Troy for its Popular Annual Financial Report for the fiscal year ended June 30, 2002. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. The City of Troy has received a Popular Award for the last four consecutive years. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.

City of Troy Economy

Troy's diversified business community, strong residential market and conservative financial management perpetuates a stable economy through regional and national market fluctuations. A wide range of industries in the business community, well maintained neighborhoods, excellent schools and continued investment into roads and infrastructure all contribute to Troy's resilience.

With 85,000 residents and the workday population exceeding 125,000, people constitute a strong market for the retail and service industries in Troy. These factors keep the City's unemployment rate well below Metro Detroit, State and National averages. See *Figure 2* to compare unemployment rates.

The community's growth is further dramatized by the significant rising value in Troy's taxable valuation (TV). From 1994, the TV increased by 54.7% from \$3,142,013,020 to \$4,861,640,648 (see *Figure 1*). Within the State of Michigan, the City of Detroit is the only municipality with a higher taxable value than Troy.

The City's tax base continues to grow with new real estate developments, reinforcing fiscal strength for Troy City government and the Troy Downtown Development Authority.



The new Sanctuary Lake Golf Course will feature a clubhouse with food service and gathering space. The course opens for play in late Summer 2004.

Major Initiatives

Troy has completed the implementation of a \$47 million bond proposal approved by residents in 1999. Elements include road improvements, facility replacement and expansion, open space/active recreation functions.

The **Community Center**, 136,000 square feet, was completed in March 2003. It offers an indoor aquatic center, cardiovascular fitness area, dance/aerobic area, meeting rooms, banquet facilities, and gymnasium. Over 6,000 passes have been purchased for the access to the fitness/aquatic areas. Next to the Community Center, a new **Skate Park** was constructed, partially funded by resident and business contributions.

Phase I of a renovation addition to our existing City Hall for enhanced **Police and Fire administration** activities has been completed. The final phase will be completed by the end of 2003. Construction of the new **Fire Station #3** was operational as of November 2003. It will be formally dedicated in Spring 2004.

Figure 1

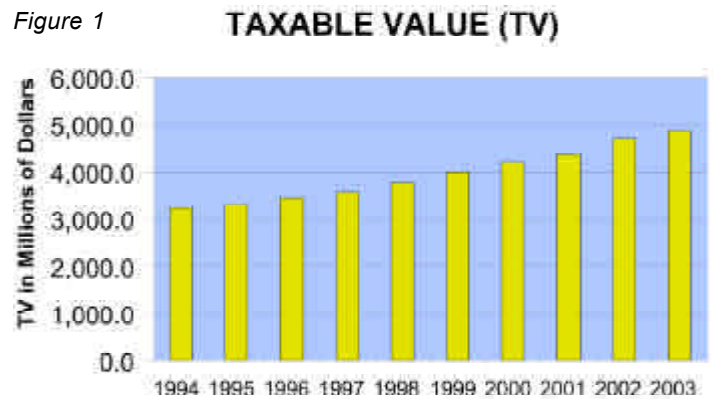


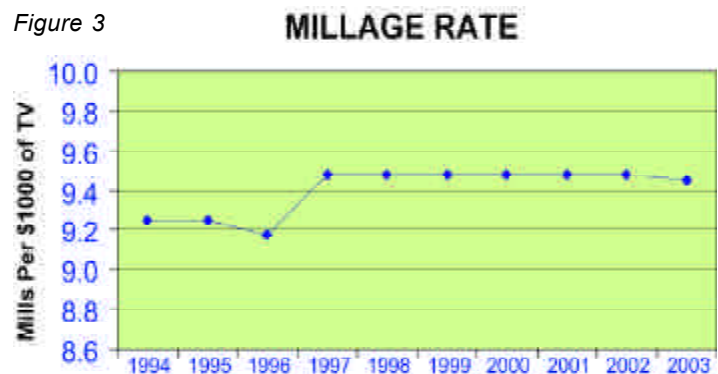
Figure 2

Unemployment Rates

Year	1990	2000	2003 (July)
Troy	3.5%	1.6%	3.2%
Metro Area*	7.6%	4.3%	8.3%
Michigan	7.6%	3.6%	8.0%
National	5.5%	4.0%	6.3%

*Metro Area includes: Lapeer, Macomb, Monroe, Oakland, St. Clair, and Wayne Counties.

Figure 3



Each mill translates to \$1 of tax per \$1,000 of taxable property value. The City of Troy has maintained one of the lowest tax rates of surrounding cities. Troy has lowered its rate to 9.45.

The construction phase of the new **Sanctuary Lake** 18 hole golf course in the northeast corner of Troy is complete. The driving and practice range opened in Summer 2003 and the course will be ready for play in the Summer of 2004. Converting this former landfill site into a beautiful links-style golf course greatly improves the aesthetics of the area and adds a wonderful recreational asset to the community.

With continued support of the Troy Historical Society, the **Troy Methodist Church** was relocated to the Troy Museum & Historic Village in August 2003. It makes an excellent addition to the collection.

Major **road construction** projects included work on Big Beaver, Maple Road and Long Lake Road.

Evaluating the City's Financial Condition

The **General Fund** is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. General Fund activities are financed by revenues from general property taxes, state shared revenues and other sources.

Figure 5 shows the total revenue and expenditures of this fund from 1994 to 2003. An indicator of financial strength and stability is a positive fund balance in the General Fund. Since 1994, the General Fund fund balance has grown from \$4.6 to \$21.5 million. Note that operating expenditures exceeded operating revenues from 1993, 2002 and 2003 to a lesser degree. These shortfalls were covered by fund balance.

The financial community has recognized the City's solid, diversified tax base and sound management. All three major rating agencies (Fitch IBCA, Moody's and Standard & Poor's) gave the City an "AAA" rating for general obligation bonds. This makes Troy one of the two highest rated municipalities in Michigan. High bond ratings translate to savings for the City and its taxpayers.

In accordance with Generally Accepted Accounting Principles (GAAP), the City's financial activities are accounted for in a variety of funds other than the General Fund.

Special Revenue Funds such as the Brownfield Redevelopment Authority, Downtown Development Authority, Major Street, Local

Street, Refuse and Community Development Block Grant Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes.

Debt Service Funds account for the accumulation of resources for the annual payment of principal, interest and fees in connection with certain long-term debt other than debt payable from operations of a proprietary fund.

The **Capital Projects Fund** tracks financial resources for the acquisition or construction of major capital facilities other than those financed by the operations of a proprietary fund.

Figure 4

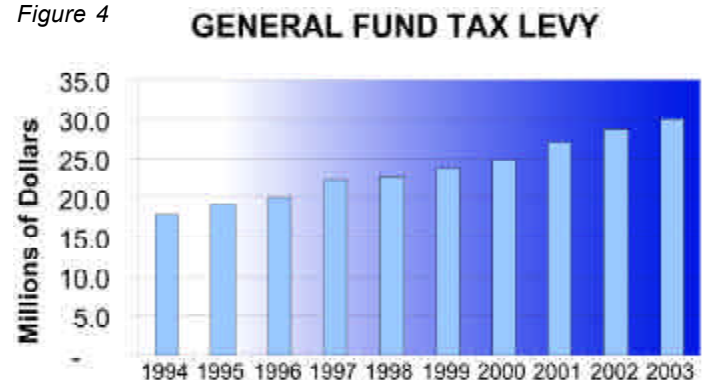
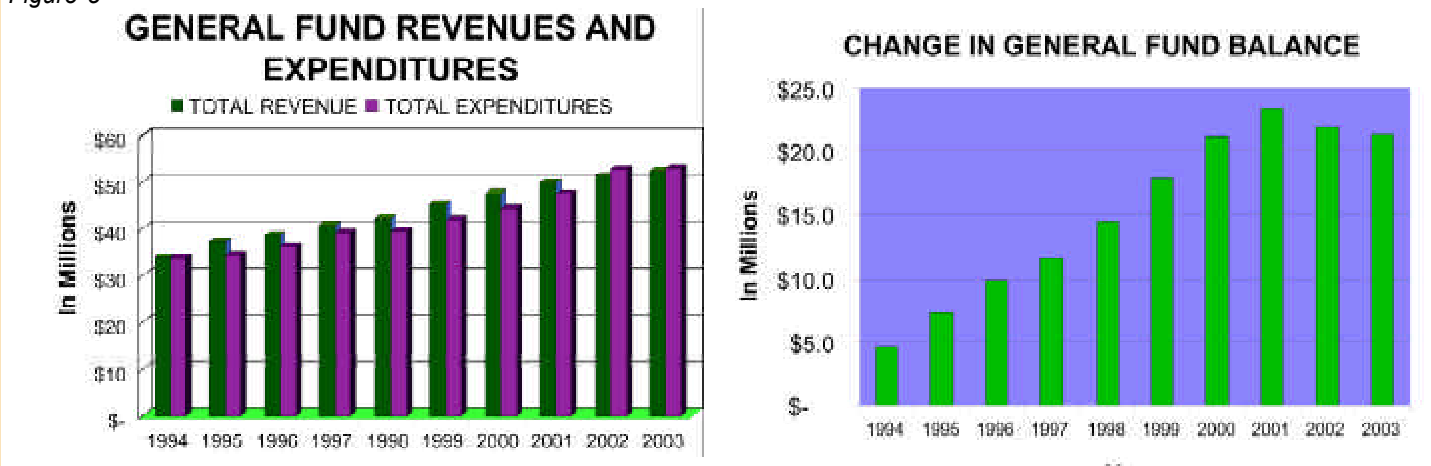


Figure 5



Revenues and Expenditures (millions of dollars)

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Total Revenue	\$ 34.0	\$ 37.1	\$ 38.5	\$ 40.7	\$ 42.3	\$ 45.3	\$ 47.6	\$ 49.9	\$ 51.2	\$ 52.3
Total Expenditures	33.6	34.3	36.1	39.0	39.3	41.9	44.3	47.5	52.5	52.8
Excess (Shortfall)	\$ 0.4	\$ 2.8	\$ 2.4	\$ 1.7	\$ 3.0	\$ 3.4	\$ 3.3	\$ 2.4	(1.4)	(.05)
Beginning Equity	4.2	4.6	7.4	9.8	11.5	14.5	17.9	21.0	23.4	22
Ending Equity	\$ 4.6	\$ 7.4	\$ 9.8	\$ 11.5	\$ 14.5	\$ 17.9	\$ 21.2	\$ 23.6	\$ 22.0	\$ 21.5
As a % of Revenue	13.53%	19.95%	25.45%	28.26%	34.28%	39.51%	44.54%	47.29%	42.97%	41.11%

Source: City of Troy Comprehensive Annual Financial Report

Enterprise Funds like Water, Sanitary Sewer, Aquatic Center and Golf Course Fund are used to account for operations that are similar to private business. Tracking the net income of Enterprise Funds helps evaluate programs and direct financial administration.

Internal Service Funds are used to account for the financing of goods and services provided by one department to other departments of the government on a cost reimbursement basis.

Statement of activities for Revenues and Expenses in 2003 are taken from the *Comprehensive Annual Financial Report (CAFR)* and shown in *Figure 6*. As can be seen from the chart, some groupings

of funds amount to more than the General Fund. This document is designed to help you understand how and where money is spent to provide City services.

For more detailed information where the totals are represented by function, you should review the *CAFR*. Both this summary and the *CAFR* are available at the Troy Public Library, 510 West Big Beaver, and the City Clerk's Office in City Hall, 500 West Big Beaver. If necessary, call 248.524.1147 to request a copy.

The Statement of Activities (*Figure 6*) includes all governmental and business-type activities of the primary government, the City of Troy.

City of Troy Statement of Activities

Figure 6

For the Year ended June 30, 2003

(in millions of dollars)

For the Year ended June 30, 2003						Net Revenues (Expenses) and Changes in Net Assets		
(in millions of dollars)						Primary Government		
Functions/Programs	Expenses	Program Revenues			Governmental Activities	Business Type Activities	Total	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions				
Primary Government								
Governmental Activities								
General government	\$ 11.7	\$ 1.4	\$ -	\$ -	\$ (10.3)	\$ -	\$ (10.3)	
Public Safety	25.7	2.6	0.5	0.1	(22.5)	-	(22.5)	
Public Works	16.0	3.0	-	10.6	(2.4)	-	(2.4)	
Sanitation	4.2	0.2	-	-	(4.0)	-	(4.0)	
Comm. & Econ. Development	0.6	-	0.1	0.1	(0.4)	-	(0.4)	
Recreation & Culture	12.3	2.9	0.1	(0.1)	(9.4)	-	(9.4)	
Interest on long-term debt	3.1	-	-	-	(3.1)	-	(3.1)	
Total governmental activities	\$ 73.6	\$ 10.1	\$ 0.7	\$ 10.7	\$ (52.1)	\$ -	\$ (52.1)	
Business-type Activities								
Water	\$ 10.2	\$ 11.1	\$ -	\$ -	\$ -	\$ 0.9	\$ 0.9	
Sanitary sewer	8.8	9.0	-	-	-	0.2	0.2	
Aquatic center	0.5	0.4	-	-	-	(0.1)	(0.1)	
Golf course	1.3	1.3	-	-	-	-	-	
Total business-type activities	\$ 20.8	\$ 21.8	\$ -	\$ -	\$ -	\$ 1.0	\$ 1.0	
Total primary government	\$ 94.4	\$ 31.9	\$ 0.7	\$ 10.7	\$ (52.1)	\$ 1.0	\$ (51.1)	



Moving the Troy Methodist Church and Parsonage to the Troy Museum will bring a wonderful new element to Troy collection of historic structures.

General revenues and transfers		
Property taxes	\$ 49.7	\$ - \$ 49.7
State shared revenues	7.6	- 7.6
Interest and investment earnings	1.9	0.6 2.5
Miscellaneous	0.3	- 0.3
Other	0.2	1.8 2.0
Transfers	0.8	(0.8) -
Total general revenues and transfers	\$ 60.5	\$ 1.6 \$ 62.1
Changes in net assets	\$ 8.4	\$ 2.6 \$ 11.0
Net Assets - July 1, 2002	166.1	137.5 303.6
Net Assets - June 30, 2003	\$ 174.5	\$ 140.1 \$ 314.6

Revenues

The City of Troy collects funding from five major sources. Beyond property taxes, other revenues include capital grants and contributions, operating grants, state shared revenue, charges for services, and investment income. See *Figure 8* for a breakdown of what percentage each element represents in the total revenue.

Property Taxes: \$49.7 Million

The City's total tax rate of \$9.45 includes the General Fund, Refuse Collection, Debt Service and Capital Projects activities. The City has .66 mills in available tax rate capacity for general and capital activities.

As indicated in *Figure 7*, the City's tax rate represents just 27% of total property tax bill. Those tax dollars represent approximately half of the City's total revenue as illustrated in *Figure 8*.

Operating and Capital Grants: \$11.4 Million

Are mainly made up of federal pass through grants for transportation projects. We have also received several public safety grants.

State-Shared Revenue: \$7.6 Million

Revenue from the state of Michigan - mainly in the form of a return on sales tax revenue.

Charges for Services: \$32.0 Million

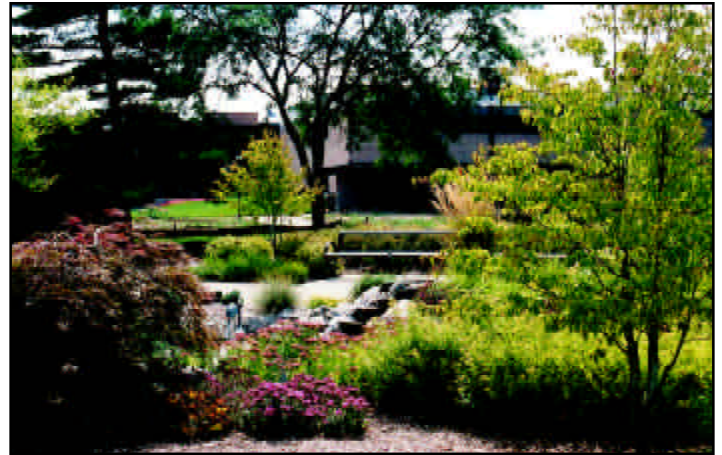
Fees charged for services and sales.

Investment Income: \$2.5 Million

Generated from interest on investments.

Other Revenue: \$2.2 Million

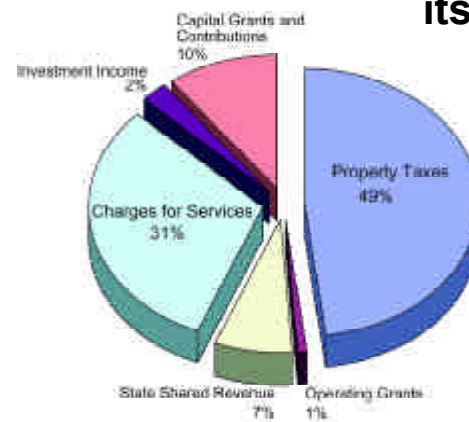
Generated primarily by administrative fees and rent income.



Troy Peace Garden is located in the Troy Civic Center between City Hall and the Public Library. It is a beautiful place to relax and reflect.

Figure 8

Where the City gets its Revenue



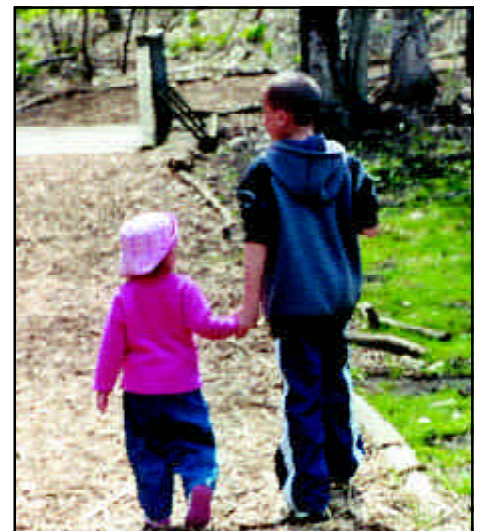
Property taxes are not the City's only source of income. This chart illustrates the variety and percentage of the City's other sources of funding.

Where Does Your Tax Dollar Go?



The City of Troy collects property taxes on behalf of your local school district, Oakland County, and Community Colleges. This illustration shows how your total tax dollars are divided among these agencies.

Figure 7



Nature Center trails are favorites of kids and adults for enjoying the outdoors.

Expenditures

The City generalizes its major program activities in seven areas: General Government, Public Safety, Public Works, Sanitation, Community and Economic Development, Recreation & Culture, and Interest of Long Term Debt. See Figure 9 below for a breakdown of their percentages of total expenditures.

General Government

The General Government group of expenditures of \$8.8 Million are broken down into the following seven areas. See Figure 10 for a graphical illustration.

City Council

The City Council approved the 2002-03 budget with a 9.45 millage rate, one of the lowest millage rates of any comparable city in the State of Michigan. Council generally meets three Monday evenings each month. The seven elected officials of the Council serve on a part-time basis and act as the legislative branch of government. Council enacts ordinances, approves the City budget, and appoints the City Manager, City Attorney and board and commission members.

City Manager

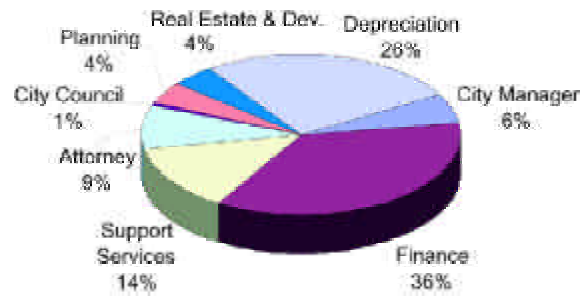
The City Manager oversees the daily operations of the city government. This office researches, evaluates and develops public policy and programming to achieve the highest levels of efficiency. Current projects include development of the Civic Center site, monitoring budget procedures and performance, and examining State and Federal legislative issues that could impact the City of Troy.

City Attorney

This office provides legal service for the City including the Council, boards and committees. It reviews ordinances, contracts, bonds and any other legal documents. It prosecutes ordinance violations, represents the City for litigation, and advises City offices, City Council, and other appointed officers regarding legal issues related to city business.

Figure 10

GENERAL GOVERNMENT



Support Services

Support Services include: Accounting, Assessing, City Clerk, Community Affairs, Human Resources, Information Technology, Purchasing, Risk Management and Treasury. Each furnishes important services for internal and external operations.

Accounting maintains financial records including payroll, accounts payable, assets, liabilities and long-term capital projects.

The **Assessing Department** assesses all real and personal property within the City limits and maintains detailed legal descriptions of properties and records related to their ownership. In total, the Assessing Department is responsible for a combined State Equalized Value that tops \$6.0 billion.

Expenditure Overview

General Government: \$11.7 Million

Areas involved in the administration, legislative and financial aspects of City business: City Council, City Manager, City Attorney, Assessing, City Clerk, Elections, Accounting, Human Resources, Purchasing, Treasurer, Community Affairs, Planning, Real Estate & Development, City Hall, Water Office and support services.

Public Safety: \$25.7 Million

Police, fire protection and building inspection.

Public Works: \$35.0 Million

Maintenance costs for major, local and county roads. Costs associated with Engineering, Storm Drain Maintenance, Water Supply and Sanitary Sewer functions.

Recreation & Culture: \$14.1 Million

Costs to provide recreation, aquatic and golf course activities.

Debt Service: \$3.1 Million

Consists of interest payments on maturing debt.

Sanitation: \$4.2 Million

Consists of refuse collection and curbside recycling.

Community & Economic Development: \$.6 Million

Contains the Downtown Development Authority and Community Development Block Grant activities.

PRIMARY GOVERNMENT EXPENSES

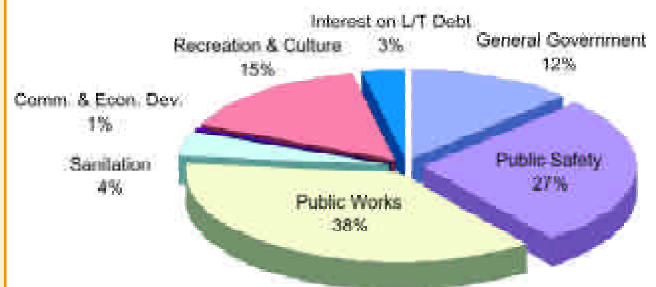


Figure 9

The **City Clerk's Office** provides citizen access to current and historical information related to the City Charter, Code and City Council minutes. It designed and implemented a "paperless agenda" process, furnishing the City Council agenda backup via CD-ROM and online. The City Clerk is also responsible for processing passport applications, conducting all elections and maintaining the City's 54,273 registered voter files.

The **Community Affairs Department** is a central information resource. It uses Internet, television, publications and media communications to promote City services, information, activities and programs. It operates WTRY (10/53) cable television station, updates the City website <www.ci.troy.mi.us>, distributes new resident packets and publishes the *Troy Today* newsletter and *City Calendar/Annual Report*. Community Affairs serves as a liaison to community groups.

Human Resources recruits exceptional, dedicated employees to serve the public. It is monitoring and evaluating issues related to a new classification and compensation process and developing a profile databank for current employees including skills, education, and professional certifications.

Information Technology (IT) provides internal support for computer-related technology. It coordinates system maintenance, security, network communications and equipment purchases. IT also programs the City Intranet and Internet websites and assists the integration of departmental and city-wide systems.

The **Purchasing Department** procures goods and services for the City with competitive prices from competent vendors. To ensure fair, competitive bidding, Purchasing maintains an open door policy to vendors requesting to be on City bid lists. Troy also acts as the "host city" for a number of contracts used by other cities throughout the Tri-County Purchasing Cooperative for office supplies, pager rental, and ice-melting compounds.

Risk Management administers insurance programs. It seeks to eliminate any areas of operation or policy that expose the City to unnecessary financial risk.

The **Treasury Department** maximizes efficiency and convenience of tax and water bill collection. It accepts payments in person at City Hall, by mail, utilizing a lock box for both water bills and taxes and a credit card payment option by phone or online through Official Payments <officialpayments.com>. A drive-up drop box outside City Hall as well as an afterhours drop box inside makes payment dropoff easy. Water bill payment may be done through the convenience of Direct Payment <www.thepaymentsauthority.org>. The service schedules automatic electronic payment from the resident's designated bank account.

Planning

The Planning Department is working with Information Technology, Engineering, Building, Assessing and Real Estate & Development Departments to develop a new, computerized base map series as a basis for the Geographic Information System. Planning reviews and updates the Master Land Use Plan and Zoning Ordinance.



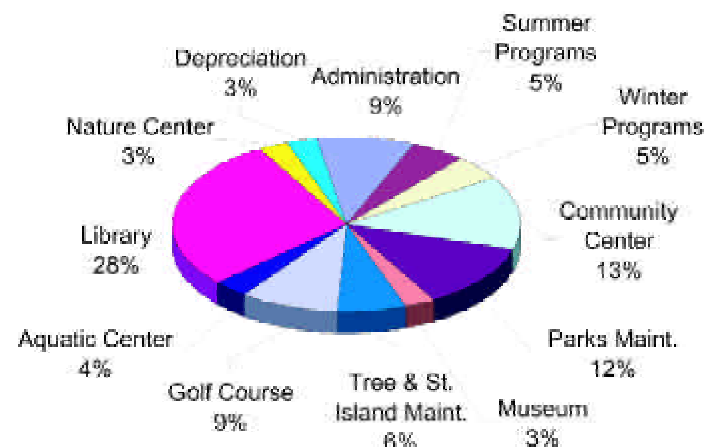
New restaurants like Potbelly's and Noodles & Co. spice up Troy's selection of eateries.

Real Estate & Development

Real Estate & Development advises and supports the city administration on issues and activities related to real estate, right of way and economic development. It coordinates property acquisition, relocation assistance, property management, disposal of excess properties, title protection and investigation and asset management. It plays an integral part in obtaining land for road widening projects on major roads.

Figure 11

RECREATION & CULTURE



Recreation & Culture

Recreation and culture expenditures totaled \$14.1 Million. It covers a full schedule of recreation and leisure activities, special events, and educational programming as well as operations of the Family Aquatic Center, Nature Center, Community Center, Golf Course, Senior Citizen programs, 14 parks, Troy Historical Museum and Troy Public Library. See Figure 11 for an illustration of expenditures.

Administration: \$1.3 Million

Programs (Winter and Summer): \$1.4 Million

They furnish citizens with a full spectrum of athletic, educational and leisure programming for all ages and all abilities. This includes programs and activities for preschoolers, senior citizens and adaptive recreation for persons with disabilities. The Summer schedule offers sport camps cosponsored by the Troy School District for ages 4 to adult. The Nature Center provides a Nature Library, Gift Shop and classrooms. Parks & Recreation programming greatly enhances quality of life for Troy residents, and increases Troy's attractiveness to new home buyers.



The Troy Family Aquatic Center is a summertime oasis located within the Troy Civic Center.

Community Center: \$1.9 Million

The final phase of the Community Center renovations opened in March 2003. The building provides administrative offices, meeting rooms, recreation and banquet facilities. Citizens and community groups may reserve meeting rooms. It serves over 250,000 visitors annually.

Parks Maintenance: \$1.7 Million

Parks Maintenance represents the largest portion of the Parks & Recreation expenditures. It provides maintenance to Troy's 14 neighborhood and major parks that total 735 acres. This includes care for athletic fields, play structures and equipment. Funding also covers servicing city grounds, cemeteries and the annual Magic of Fall/Troy Daze Festival.

Museum: \$.4 Million

Located at 60 West Wattles, Troy Museum and Historic Village celebrates the heritage of the community. Programs and special events are supported by volunteers who contribute over 4,000 service hours. The museum welcomes more than 19,000 visitors annually. The facility includes administrative offices, an exhibit gallery, reference library, Museum Guild Gift Shop, and seven 19th Century structures and Gazebo collected around the Village Green. The most recent addition is the Old Troy Methodist Church and Parsonage that have been relocated to the Museum site. They will be refurbished and preserved for today's and future generations to enjoy.

Tree & Street Island Maintenance: \$.9 Million

These services include trimming 3,000 and planting over 500 trees in right of way properties. This work enhances the image and desirability of the city as well as contributes to public safety and the environment.

Golf Course: \$1.3 Million

Sylvan Glen Golf Course is an enterprise fund. It furnishes over 60,000 rounds of golf per year as well as access to golf lessons, a pro shop, restaurant and banquet facilities. In winter months, the course is available for cross-country skiing. Revenues exceeded expenditures, resulting in net income of \$32,570.

Sanctuary Lake, an additional 18 hole golf course in the northeast corner of the City will open for play in the summer of 2004.

Library: \$4.0 Million

Troy Public Library focuses on providing the best collection of resources and services to its patrons. It circulates in excess of one million items per year including books, tapes, CDs, DVDs, and periodicals. It hosts a full schedule of cultural programs including concerts, book clubs, lectures, children's events, teen activities and computer skill workshops.

Family Aquatic Center: \$.5 Million

The Family Aquatic Center is an enterprise fund. Amenities include swimming lessons, an 11,000 square-foot main pool, splash pools, water slides and sand play areas. It is open from Memorial Day weekend to Labor Day weekend. The center also hosts substance-free teen events weekly with live entertainment from local bands. A total of 38,578 admissions were recorded in 2003.

Public Safety

Police Department: \$19.8 Million

Troy Police Department subscribes to a community-oriented policing philosophy. It emphasizes crime prevention and partnerships with community groups to promote awareness and safety. An analysis of FBI crime statistics of cities with populations over 75,000, ranks Troy among the nation's top 5% safest cities.

Police Administration: \$1.4 Million

Administration is responsible for coordination and administration of grants, developing policy and procedures and human resources.

Uniform Patrol: \$9.6 Million

Represents 38% of the public safety expenditures. This includes motor, foot and bicycle patrol.

Investigations Division: \$2.7 Million

Provides for investigation of crimes and suspected crimes. It also administers criminal and drug forfeiture actions.

Juvenile & Support Services: \$.7 Million & \$.5.4 Million respectively

Figure 12



Fire Department: \$3.6 Million

The department includes 14 paid positions and 180 volunteer fire fighters. They operate a central office at City Hall and six fire stations. Activities include training, emergency response and community education. Troy enjoys excellent fire protection service and significant savings for its taxpayers with a volunteer fire department. Troy Fire Department earned the Life Safety Achievement Award for the seventh consecutive year from the Residential Fire Safety Institute recognizing a community's record of *zero* fire-related fatalities.

Building Inspection Department: \$1.8 Million

Inspection services enforce the Troy City Code including building codes, property maintenance, and Zoning Ordinance. The department issued 1,867 building permits for construction valued at over \$142 million. Inspections ensure the quality and safety of new construction in Troy, an essential element to the long-term value of properties and protection of Troy citizens.

Public Works

Public Works refers to Public Works Department including Engineering, Storm Drain Maintenance, Sanitation, Water, Sanitary Sewer, and Roads. See *Figure 13* for an illustration of expenditures.

Water & Sanitary Sewer: \$10.2 Million & \$ 8.8 Million, respectively

Water and Sewer accounts are both Enterprise Funds. These services include water delivery, water and sewage disposal, system maintenance, operations, and meters and taps. The Water Fund reported net income of \$2.2 million. The Sewer Fund reported a net income of \$0.4 million.

Water and Sewer operations deliver safe drinking water and respond to over 2,000 service calls a year. They manage 538 miles of water main, 5,492 hydrants, conduct water sample tests, and clean sanitary sewer. The system delivers 641 million cubic feet of water annually. In accordance with the Federal Safe Water Act, the City published the annual *Water Quality Report* in the *Troy Today* quarterly newsletter Summer edition. It confirmed that Troy has clean and safe drinking water. Call 248.524.3546 for a copy or view online at <www.ci.troy.mi.us>.

Engineering: \$2.6 Million

Engineering provides for design and administration of public improvement projects like roads, sanitary sewers, water mains and sidewalks. It also executes surveying, inspection, and traffic engineering services.

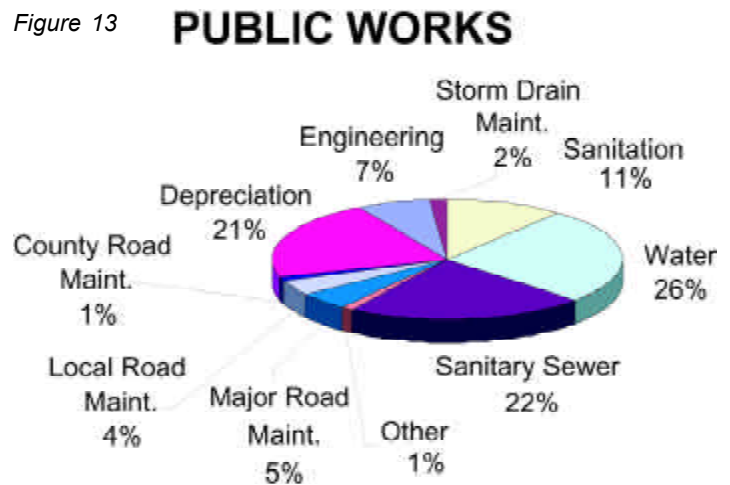
Storm Drain Maintenance: \$.7 Million

The Storm Water Division implements the storm water drainage master plan by improving maintenance of the system and complying with Federal, State and County regulations and mandates. This includes detention pond improvements. The division cleans approximately 1,000 catch basins each year.

Troy's 180 fire fighters are dedicated volunteers, trained by the City. Troy represents one of the largest volunteer fire departments in the nation.



Figure 13



Sanitation: \$4.2 Million

Sanitation services, contracted with a private firm, provide weekly refuse collection for 24,816 homes, condominiums, mobile homes, and duplexes. They also collect from 4,327 apartments. Weekly recycling curbside pickup and the recycling dropoff center collected 5,000 tons of recyclables. Separate pickup of soft yard waste and Christmas trees yielded an additional 5,000 tons for composting which helps reduce use of landfills.



Troy maintains 5,492 fire hydrants throughout the City.

Major Road Maintenance: \$1.8 Million

Includes snow and ice removal, routine maintenance and signage.

Local Road Maintenance: \$ 1.7 Million

Include snow and ice removal, routine maintenance and signage, surface repairs (patching), sweeping and dust control.

County Road Maintenance: \$.4 Million

Includes snow and ice removal and administrative costs.

Troy maintains over 370 streets, county and other major roads. Activities include patching, slab replacement, sweeping, crack and joint sealing on concrete, asphalt and gravel roadways. These efforts help maintain Troy's viable transportation network.

The City maintains about 20,000 street name and traffic signs. In winter, Troy has a policy to clear all roads within 36 hours after a snowfall of more than four inches.

Capital Outlay

Streets & Drains: \$15 Million

Streets and Drains improvements consisted of major road improvements: \$12.9 million, local roads: \$0.8 million, sidewalks: \$0.7 million and drains: \$0.4 million.

Recreation: \$17 Million

The Community Center, which has a building footprint of 136,000 square feet was completed in March 2003. The City is also nearing completion of Sanctuary Lake, our new 18 hole, links-style golf course

including a practice facility, grill room, and pro shop. The course is scheduled to open late summer 2004.

Public Safety: \$10 Million

Expenditures relate to communications, apparatus replacement and renovation/addition to our City Hall for enhanced Police/Fire administration activities. The City has developed a plan to reserve funds over several years to accommodate for apparatus replacement due to the significant cost of fire fighting equipment.

Other: \$1 Million

Expenditures include Museum and technology improvements.

Figure 14



This year's capital projects included construction of new City facility buildings. **Above:** Main entrance of the completed Troy Community Center. **Left:** Police entrance to the new Public Safety facility located in the Troy Civic Center. **Below:** The new Fire Station #3 building adjacent to the old facility under demolition.



Getting more information...

Community Affairs Department

Community Affairs offers new and prospective residents and businesses information packets. Call to request a packet or other information at 248.524.1147 or email stewartca@ci.troy.mi.us.

City of Troy Website - www.ci.troy.mi.us

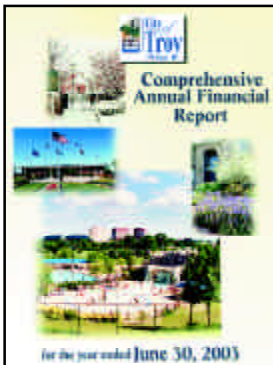
Internet access creates a 24-hour, 7-day-a-week service window for citizens seeking information about the City.

What's online at www.ci.troy.mi.us

- The ability to check your property tax bill balance
- Current bid items posted by the Purchasing Department
- City job postings
- Community Calendar
- City Council meeting agendas & minutes
- Building Permit Applications
- Business license application forms (City Clerk)
- *Troy Today*, *Annual Budgets*, *Financial Summaries* and other City publications
- News releases
- *City Code and Charter*
- Email access to City administrators

Comprehensive Annual Financial Report (CAFR)

The Information in this document has been drawn from the City of Troy *Comprehensive Annual Financial Report (CAFR)* for the fiscal year ended June 30, 2003.

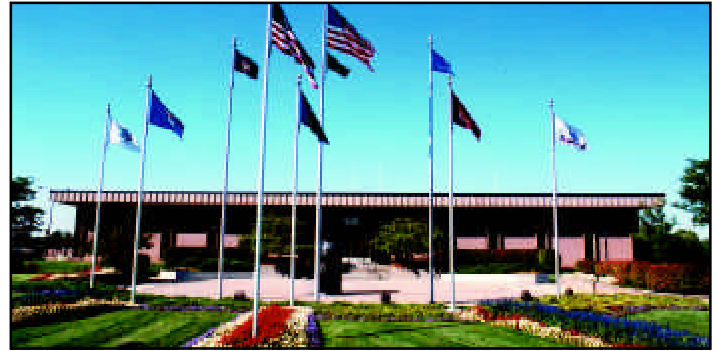


The City was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA) for its *CAFR* for the fiscal year ended 2002. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such *CAFR* must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our *CAFR* continues to conform to the Certificate of Achievement program requirements and we are submitting our *CAFR* for the current year to the GFOA.

Complete financial statements of the City of Troy with additional demographic and economic information are published in the *Comprehensive Annual Financial Report (CAFR)*.

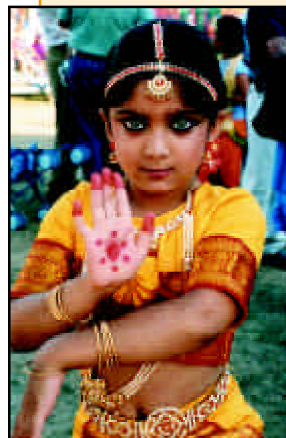
To request a copy of the *CAFR*, contact John M. Lamerato, Assistant City Manager/Finance & Administration by mail 500 West Big Beaver, Troy MI 48084; email lameratojm@ci.troy.mi.us; or phone 248.524.3330.



Troy City Hall, 500 W Big Beaver

City Administration Contacts

City Manager John Szerlag	248.524.3329
Assistant City Manager/Finance John M. Lamerato	248.524.3330
Assistant City Manager/Services Gary A. Shripka	248.524.3330
Building and Zoning Director Mark Stimac	248.524.3344
Building Operations Director Steven Pallotta	248.524.3368
City Assessor Nino Licari	248.524.3311
City Attorney Lori Grigg Bluhm	248.524.3320
City Clerk Tonni Bartholomew	248.524.3316
City Engineer Steve Vandette	248.524.3383
City Treasurer Nancy Aguinaga	248.524.3336
Community Affairs Director Cynthia Stewart	248.524.1147
Financial Services Director James Nash	248.524.3411
Fire Chief William Nelson	248.524.3419
Human Resources Director Peggy Clifton	248.680.7296
Information Technology Director Gert Paraskevin	248.619.7279
Library/Museum Director Brian Stoutenburg	248.524.3538
Parks & Recreation Director Carol Anderson	248.524.3484
Planning Director Mark Miller	248.524.3364
Police Chief Charles Craft	248.524.3443
Public Works Director Tim Richnak	248.524.3392
Purchasing Director, Jeanette Bennett	248.524.3338
Real Estate & Development Director, Douglas Smith	248.524.3498
Risk Manager, Stephen Cooperrider	248.526.5127
Traffic Engineer, John Abraham	248.524.3379



The Annual Troy Daze Festival in September celebrates the end of summer with the Troy Daze Parade and Ethni-City performances and cultural booths as well as carnival rides, entertainment and four days of special events.

